

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA

UNITED STATES OF AMERICA,	:	Civil No.: 1:19CV00186
Plaintiff,	:	
	:	
v.	:	
	:	
\$34,760.00 in U.S. CURRENCY,	:	
	:	
\$4,117.00 in U.S. CURRENCY,	:	
	:	
2015 BMW 428i,	:	
VIN WBA4A5C57FD410683,	:	
	:	
2014 TOYOTA HIGHLANDER,	:	
VIN 5TDBKRFH9ES021793,	:	
	:	
and	:	
	:	
2004 LEXUS RX330,	:	
VIN JTJHA31U240021955,	:	
Defendants.	:	

VERIFIED COMPLAINT OF FORFEITURE

NOW COMES Plaintiff, the United States of America, by and through Matthew G.T. Martin, United States Attorney for the Middle District of North Carolina, and respectfully states as follows:

1. This is a civil action *in rem* brought to enforce the provisions of 18 U.S.C. § 2428 for the forfeiture of the aforesaid defendant properties which constitute or are derived from proceeds of the transportation of individuals in interstate commerce or were used or intended to be used to commit or facilitate the commission of the transportation of individuals in interstate commerce with the intent that such individual engage in prostitution, in violation of 18 U.S.C. § 2421.

2. This action is also brought to enforce the provisions of 18 U.S.C. § 981(a)(1)(C) for the forfeiture of the aforesaid defendant properties which constitute or are derived from proceeds traceable to a violation constituting specified unlawful activity as defined in 18 U.S.C. § 1956(c)(7), or a conspiracy to commit such offense, specifically the use of interstate travel to carry out a separate offense in violation of 18 U.S.C. § 1952.

3. The defendant \$34,760.00 in U.S. Currency was seized on May 2, 2018, in Cary, North Carolina, and has been deposited to the Treasury Suspense Account. The defendant \$4,117.00 in U.S. Currency was seized on May 2, 2018, in Whitsett, North Carolina, and has been deposited to the Treasury Suspense Account. The defendant 2015 BMW 428i and 2014 Toyota Highlander were seized on May 2, 2018, in Cary, North Carolina, and are currently in the custody of U.S. Customs and Border Protection in Charlotte, North Carolina. The defendant 2004 Lexus RX330 was seized on May 2, 2018 in Whitsett, North Carolina, and is currently in the custody of U.S. Customs and Border Protection in Charlotte, North Carolina.

4. Plaintiff brings this action *in rem* in its own right to forfeit and condemn the defendant properties. This Court has jurisdiction over an action commenced by the United States under 28 U.S.C. § 1345, and over an action for forfeiture under 28 U.S.C. § 1355(a).

5. Venue is proper in this district pursuant to 28 U.S.C. §§ 1355(b)(1) and 1395, because the defendant properties were seized while located in the jurisdiction of this Court, or one or more of the acts giving rise to forfeiture occurred in this district.

6. Upon the filing of this complaint, Plaintiff requests that the Court issue an

arrest warrant *in rem* pursuant to Supplemental Rule G(3)(b), which Plaintiff will execute upon the properties pursuant to 28 U.S.C. § 1355(d) and Supplemental Rule G(3)(c).

7. The facts and circumstances supporting the seizure and forfeiture of the defendant properties are contained in Exhibit A, attached hereto and wholly incorporated herein by reference.

WHEREFORE, the United States of America prays that process of a Warrant for Arrest and Notice *In Rem* be issued for the arrest of the defendant properties; that due notice be given to all parties to appear and show cause why the forfeiture should not be decreed; that judgment be entered declaring the defendant properties be forfeited to the United States of America for disposition according to law; and that the United States of America be granted such other relief as this Court may deem just and proper, together with the costs and disbursements of this action.

This the 15th day of February, 2019.

Respectfully submitted,

MATTHEW G.T. MARTIN
United States Attorney

/s/ Steven N. Baker
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VERIFICATION

Pursuant to 28 U.S.C. § 1746, I verify under penalty of perjury under the laws of the United States of America, that the contents of the foregoing Complaint are true and correct to the best of my knowledge, information and belief.

A handwritten signature in blue ink, appearing to read 'Bryan S. Irwin', is written over a horizontal line.

Bryan S. Irwin
Task Force Officer
Homeland Security Investigations

DECLARATION

I, Bryan Irwin, pursuant to 28 U.S.C. § 1746, under penalty of perjury and pursuant to the laws of the United States, state that the following is true and correct to the best of my knowledge and belief:

1. I am an investigative or law enforcement officer of the United States within the meaning of Title 18, United States Code, that is, an officer of the United States who is empowered by law to conduct investigations of and to make arrests for offenses enumerated in Section 2516 of Title 18. I am a Task Force Officer with the United States Department of Homeland Security (DHS), U.S. Immigration and Customs Enforcement (ICE), Homeland Security Investigations (HSI). I am currently assigned to the Office of the Resident Agent in Charge, Winston-Salem, North Carolina (NC). I have been a sworn law enforcement agent for 20 years and an HSI Task Force Officer since 2013. I have a Bachelor of Science degree from a regionally accredited institution focusing in the field of criminal justice.

2. This declaration is based on my own knowledge and experience as well as information provided by other federal, state, and local law enforcement agencies.

3. This declaration is being submitted in support of a Verified Complaint of Forfeiture of the following:

- a. \$34,760.00 in U.S. Currency;
- b. \$4,117.00 in U.S. Currency;
- c. 2015 BMW 428i, VIN WBA4A5C57FD410683;
- d. 2014 Toyota Highlander, VIN 5TDBKRFH9ES021793; and



e. 2004 Lexus RX330, VIN JTJHA31U240021955,
which were seized from Jia LIU (dba STONEY CREEK SPA) and are subject to forfeiture to the United States pursuant to Title 18, United States Code, Sections 981 and 2428.

4. This forfeiture action arises from investigations of LIU dba STONEY CREEK SPA for violations of state and federal law, including without limitation human trafficking, the use of interstate transportation in facilitation of prostitution, money laundering, and operating unlicensed massage businesses (the “SUBJECT OFFENSES”).

INVESTIGATIVE BACKGROUND: TOUCH OF ASIA

5. In 2014 law enforcement received information regarding acts of prostitution and suspected human trafficking violations occurring at a business called Touch of Asia, located in Cary, North Carolina.

6. Between 2014 and 2017 law enforcement agents conducted an investigation which revealed that LIU and/or individuals acting at her direction violated state and federal law by engaging in the SUBJECT OFFENSES in connection with LIU’s operation of Touch of Asia. The investigation revealed the following facts, among others:

- a. Sexually oriented advertisements for Touch of Asia were routinely posted on internet websites associated with human trafficking and commercial sex acts, including backpage.com, USAsexguide.com, and rubmaps.com.
- b. Witnesses confessed to paying for sexual services at Touch of Asia on a regular basis.

- c. Touch of Asia employees solicited undercover law enforcement agents for sex acts.
- d. Patrons of Touch of Asia regularly posted comments and/or ratings for the sexual services received there. For example, in July 2015, a patron posted a review on rubmaps.com regarding Touch of Asia employee “Mimi,” stating, “Mimi 5 Stars. Be nice and if you’re not sketchy, pushy, or ugly you can see tits, ass pussy and blow a load. good luck. ;).”

7. On March 14, 2016, at about midnight, law enforcement agents on routine business checks observed that the rear entrance to Touch of Asia was ajar. To ensure that a crime was not in progress, the officers entered the business and conducted a safety sweep. They came into contact with two Asian females who were employees at Touch of Asia. Both of the women were sleeping inside the business. Both had luggage in a backroom that had a small kitchenette. These circumstances and statements made by the employees indicated that Touch of Asia was involved in prostitution and other illegal activity.

8. In October 2016, law enforcement agents executed search warrants at Touch of Asia which resulted in physical evidence demonstrating that LIU was the owner/operator of Touch of Asia. In addition, bulk cash seizures were made from LIU’S residence.

9. Law enforcement interviewed Touch of Asia employees who stated that they had recently arrived in North Carolina from New York, and that they frequently travel back and forth between the New York and North Carolina.

10. Law enforcement agents discovered that Liu paid the utility and power bills for Touch of Asia.

11. A Touch of Asia employee identified Liu by photograph, becoming visibly nervous, and saying that Liu worked at Touch of Asia, but not as a masseuse.

12. Law enforcement agents discovered that Touch of Asia employees feared for their lives and the lives of their families.

13. As a result of the investigation into Touch of Asia, in March 2017, LIU was charged with various North Carolina criminal law felonies, including operating a continuing criminal enterprise and promoting prostitution.

INVESTIGATIVE BACKGROUND: SWEET SPA

14. In 2017 citizens filed complaints with law enforcement stating that employees of Sweet Spa, aka Holiday Spa, located in Burlington, North Carolina, were engaging in acts of prostitution and suspected human trafficking violations.

15. In May 2017 Burlington Police Department and North Carolina Massage Board employees conducted a criminal investigation of Sweet Spa.

16. Sexually oriented advertisements for Sweet Spa were routinely posted on internet websites associated with human trafficking and commercial sex acts including rubmaps.com and backpage.com.

17. Patrons of Sweet Spa regularly posted explicit comments and/or ratings for the sexual services received there.

18. On May 24, 2017, law enforcement agents and North Carolina Board of Massage employees conducted on-site interviews of Sweet Spa employees and patrons.

19. Sweet Spa employees identified LIU as their “boss.”

20. Investigators determined Sweet Spa employees and LIU were violating North Carolina laws pertaining to massage and prostitution.

STONEY CREEK SPA

21. Stoney Creek Spa and Skin Care Center (“STONEY CREEK SPA”) is located at 954-B Golf House Road, Whitsett, North Carolina.

22. In February 2016, the Guilford County Sheriff’s Office (GCSO) and HSI received information that LIU dba STONEY CREEK SPA was engaging in various crimes including but not limited to the SUBJECT OFFENSES.

23. Between 2016 and 2018, GCSO and HSI investigated LIU dba STONEY CREEK SPA and individuals acting in connection with STONEY CREEK SPA.

24. The investigation revealed that LIU and/or individuals acting at her direction were engaged in illegal prostitution and related crimes during the course of STONEY CREEK SPA’s daily business operations.

25. In February and March 2016 law enforcement agents conducted two undercover operations at STONEY CREEK SPA. In both operations, undercover agents entered STONEY CREEK SPA for massage services, and employees solicited the agents to engage in acts of prostitution for money and/or engaged in other criminal law violations.

26. Between August 2017 and May 2018 law enforcement agents conducted three undercover operations at STONEY CREEK SPA. The operations once again revealed that LIU and/or individuals acting at her direction were violating state and federal law including but not limited to the SUBJECT OFFENSES.

27. STONEY CREEK SPA has been found to advertise on open source websites commonly known to advertise locations and/or individuals involved with commercial sex and/or human trafficking crimes.

28. Open source websites also contain narrative “reviews” posted by STONEY CREEK SPA customers. The website USAssexguide.com contains numerous such reviews. One review stated, “On the flip she gave me a tease message [sic] for a few minutes, and the grab my boy’s [sic] said you need message [sic] here too. She asked how much 60? I said no I got 40. She agreed.” There are many other reviews of a similar nature.

29. Investigators have never observed a female customer enter STONEY CREEK SPA. All of its customers are middle-aged men. For example, In June 2017, investigators observed 355 customers enter STONEY CREEK SPA. All 355 customers were men.

30. Investigators interviewed numerous customers leaving STONEY CREEK SPA; they confirmed that they engaged in acts of prostitution at STONEY CREEK SPA.

I. 2014 Toyota Highlander

31. New York State Department of Motor Vehicle records reflect that a 2014 Toyota Highlander (the “Highlander”) was purchased in 2014 and is presently registered to LIU at 4563 156th Street, Flushing, New York (registration “MYZL”).

32. In July 2017 law enforcement agents observed the Highlander at the rear door of STONEY CREEK SPA. Several Asian females were seen exiting the business and unloading supplies from the Highlander into the business.

33. In June and July 2017, the Highlander was observed facilitating services for STONEY CREEK SPA on at least three additional occasions by transporting individuals and supplies for the business.

34. In August 2017, GCSO obtained a North Carolina court order to place an electronic tracking device on the Highlander. In the order, the court found probable cause to believe that LIU operated STONEY CREEK SPA, was knowingly promoting prostitution there, and was using the Highlander in furtherance of her criminal activity.

35. GCSO officers placed a GPS electronic tracking device on the Highlander shortly thereafter. GPS tracking records show that the Highlander traveled out of the state of North Carolina. In addition, tracking records show that the Highlander frequently traveled to other business locations in North Carolina directly linked to human trafficking investigations and/or commercial sex. These travels included the following:

- a. August 20, 2017 traveled to Flushing, NY.
- b. Traveled to Sweet Spa on at least five separate occasions.

- c. Traveled to STONEY CREEK SPA on at least two separate occasions.

II. 2004 Lexus RX330

36. New York State Department of Motor Vehicle records show that a 2004 Lexus RX330 (the “Lexus”) was purchased in 2012 and is presently registered to LIU at 4563 156th Street, Flushing, New York (registration “FZL-7641”).

37. In April 2018 officers conducting surveillance observed an Asian female unloading supplies from the Lexus into the rear door of STONEY CREEK SPA. After unloading the supplies, the female drove the Lexus to a nearby dumpster where she discarded a box. Officers retrieved the box; it reflected LIU’s residence address in Cary, North Carolina.

38. On May 1, 2018, law enforcement agents observed an Asian female exit STONEY CREEK SPA and enter the Lexus. The Lexus traveled approximately 20 minutes to a bus stop in a Walmart parking lot in Burlington, North Carolina, where a youthful looking Asian female was picked up and taken to STONEY CREEK SPA. Both Asian females exited the Lexus, walked into STONEY CREEK SPA, and did not exit. The youthful Asian female was observed to be carrying a suitcase.

39. On May 3, 2018, law enforcement officers executed a search warrant at STONEY CREEK SPA. During that search, officers identified and interviewed the youthful Asian female. She stated that she had recently arrived from New York by bus.

40. During the search of STONEY CREEK SPA, officers found the New York registration card for the Lexus, located amid the spa’s business paperwork.

III. 2015 BMW 428i

41. In March 2016 GCSO officers went to STONEY CREEK SPA to arrest employees for violations of various state crimes, including prostitution. While they were at the business, LIU arrived at STONEY CREEK SPA driving a 2015 BMW 428i, VIN WBA4A5C57FD410683, NC license MRSJIA (the “BMW”).

42. LIU demanded to be allowed entry and attempted to forcibly enter the business, but was denied. When law enforcement agents revealed their identity to LIU and informed her of the circumstances, LIU immediately returned to the BMW and drove away.

43. In May 2018, when officers executed a search warrant at LIU’s residence, they located the BMW in the garage. They also located documents within the BMW linking LIU to the SUBJECT OFFENSES, including bank deposit and check books for businesses that officers knew to be involved in the SUBJECT OFFENSES.

SEARCH OF STONEY CREEK SPA AND LIU’S RESIDENCE ON MAY 3, 2018

44. On May 2, 2018, North Carolina Superior Court Judge S. Bray issued search warrants for STONEY CREEK SPA and Liu’s residence.

I. Search of STONEY CREEK SPA

45. On May 3, 2018, Officers executed the search warrant at STONEY CREEK SPA. They found and seized various items indicative of the SUBJECT OFFENSES, including lingerie, sex toys, financial documents, ledgers, and immigration documents.

46. STONEY CREEK SPA consists of several rooms with massage tables, a shower table room, one bedroom with bunk beds, and one bedroom with a single bed.

47. I know, based on my training and experience, that a legitimate massage parlor does not typically have beds or bunk beds for its employees. The presence of these accommodations is indicative of human trafficking and/or prostitution.

48. Law enforcement crime scene technicians conducted presumptive Seminal Fluid Tests in all massage table rooms, utilizing alternate light sources and fluid swab analysis. All massage rooms contained traces of semen throughout the room. Semen was detected on the massage tables, walls, doors, cabinets, light switch plates, and floors.

49. Investigators interviewed STONEY CREEK SPA employees, who identified LIU aka "Lisa" as the "boss" of STONEY CREEK SPA.

50. LIU'S mother, Li Xiang Chen, was present during the search warrant execution and found to be acting as a manager of STONEY CREEK SPA.

51. STONEY CREEK SPA employees provided statements to law enforcement agents which contained facts indicative of commercial sex, human trafficking, human smuggling, and/or interstate transportation in furtherance of commercial sex. For example, employees told agents that:

- a. They had been recruited from China, via internet website forums, to come to the United States to work in the massage industry.
- b. Sometime after arriving in the United States, they had traveled by bus to North Carolina. When they arrived in North Carolina, STONEY CREEK SPA representatives met and transported them to STONEY CREEK SPA.

- c. They travel by bus to Flushing, New York, every 1.5 months to receive their salaries (\$4000 USD per month). After they arrive in New York, they are transported to an undisclosed location where they receive about \$1000 USD of their \$4000 USD salary. “Lisa” aka LIU sends the remainder of the employees’ earnings to their families in China.
- d. They also travel to New York to receive medical services, including physicals.

52. Law enforcement agents located and seized the Lexus from STONEY CREEK SPA.

53. Law enforcement agents also located and seized \$4,117.00 in U.S. Currency from STONEY CREEK SPA. The currency was discovered in several locations, including both bedrooms.

II. Search of LIU’s Residence

54. Officers also executed the search warrant at LIU’s residence on May 3, 2018. LIU was present at the time of the search.

55. Officers located and seized financial and business records for STONEY CREEK SPA, reflecting LIU’s name, at the residence.

56. Officers also recovered financial and business records for Sweet Spa.

57. Officers recovered numerous bus tickets, indicating departure from New York, Georgia, and South Carolina, and arrival in North Carolina. The investigation and surveillance of LIU demonstrated that she traveled via the vehicles discussed above that

were registered in her name. Surveillance also demonstrated that at least one young Asian female was transported from a bus stop in a Walmart parking lot to STONEY CREEK SPA with her luggage. Accordingly, based on my training and experience, I believe the bus tickets found at LIU's residence were purchased for women so that they could travel from other states to North Carolina in order to engage in prostitution and other illegal acts.

58. Numerous New York business service cards were recovered.

59. Numerous New York financial instruction business records were recovered.

60. Bank of America financial documents reflecting STONEY CREEK BEAUTY INC., in Flushing, New York, were recovered.

61. Law enforcement agents seized the BMW and the Highlander from LIU's residence.

62. Law enforcement agents also seized \$34,760 in U.S. Currency from LIU's residence. Most of the currency was concealed throughout the home, including in kitchen cabinets, bathroom sink cabinets, behind large containers of cooking oil, and in cardboard boxes behind a washing machine. The currency was mostly large bill denominations, placed in bulk stacks, bundled with rubber bands, and wrapped in transparent plastic.

NO LEGITIMATE BUSINESS OPERATIONS

63. None of the employees of STONEY CREEK SPA are certified by the state of North Carolina as massage therapists. Based on this fact, and the details of the investigation described above, there is probable cause to believe that all proceeds, income,

and/or assets received by and/or related to the operation of STONEY CREEK SPA and/or related businesses are ill-gotten gains used in furtherance of criminal acts.

NO LEGITIMATE EMPLOYMENT OR INCOME

64. Law enforcement databases reflect that LIU has never received any reportable income in North Carolina as a W-2 employee.

65. LIU told law enforcement agents that her sole source of income was cleaning residential homes. Law enforcement agents have not uncovered any evidence that would corroborate LIU's statement. In fact, the investigation described herein shows probable cause to believe that LIU's only source of income is criminal activity, i.e., her operation of Touch of Asia, Sweet Spa, STONEY CREEK SPA, and other such illegitimate businesses.

PENDING CRIMINAL CHARGES

66. The following North Carolina criminal charges are currently pending against LIU based on the investigation described above and related investigations:

- a. February 2017: LIU was indicted in Wake County, North Carolina, for feloniously promoting and/or advancing prostitution and feloniously operating a continuing criminal enterprise. The charges stemmed from the investigation of Touch of Asia.
- b. May 2018: LIU was charged in Guilford County, North Carolina, with feloniously promoting prostitution and feloniously operating a continuing criminal enterprise. The charges stemmed from the investigation of STONEY CREEK SPA.

CONCLUSION

67. Based on the foregoing, your declarant maintains there is probable cause to believe that the U.S. Currency and vehicles seized from Jia LIU dba STONEY CREEK SPA are forfeitable to the United States pursuant to 18 U.S.C. §§ 981 and 2428 because they (1) constitute or are derived from proceeds of the transportation of individuals in interstate commerce with the intent that such individual engage in prostitution, in violation of 18 U.S.C. § 2421; (2) were used or intended to be used to commit or to facilitate the commission of the transportation of individuals in interstate commerce with the intent that such individual engage in prostitution, in violation of 18 U.S.C. § 2421; and/or (3) constitute or are derived from proceeds traceable to a violation of an offense constituting specified unlawful activity as defined in 18 U.S.C. § 1956(c)(7), or a conspiracy to commit such offense, specifically the use of interstate travel to carry out a separate offense in violation of 18 U.S.C. § 1952.

This the 15th day of February, 2019.



Bryan S. Irwin
Task Force Officer
Homeland Security Investigations